

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION CONFERENCE COMMITTEE ON SENATE AMENDMENTS TO HOUSE JOINT RESOLUTION 32

**Call to Order:** By **CHAIRMAN AL BISHOP**, on April 11, 2001 at 1:30 P.M., in Room 152 Capitol.

#### ROLL CALL

**Members Present:** Sen. Al Bishop, Chair  
Sen. Edward Butcher  
Sen. Gerald Pease  
Rep. Bill Thomas, Vice Chair  
Rep. Norma Bixby  
Rep. Bob Lawson

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Susan Fox, Legislative Branch  
Jan Brown, Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

#### **Committee Business Summary:**

Hearing(s) & Date(s) Posted: HJ 32, 4/10/2001  
Executive Action: HJ 32

#### CONFERENCE COMMITTEE ON HJ 32

*{Tape : 1; Side : A; Approx. Time Counter : 0.2 - 9.2}*

**CHAIRMAN BISHOP** called the meeting to order and advised the committee members that **Scott Seacat, Legislative Auditor**, and **Chuck Hunter, DPHHS** were in attendance and would be available for questions. **Chairman Bishop** said he had discussed the amendments with Mr. Seacat and Mr. Hunter and they had agreed that it was OK to delete lines 24 through 27 on page 1. **Rep. Bixby** agreed with this amendment. **Chairman Bishop** said he would like to have **Mr.**

**Seacat** explain the reason for this, and said as he recalled, Mr. Seacat had said it isn't an audit they were doing, but Mr. Hunter thinks it probably is an audit, as it is probably more than a review.

**Mr. Seacat** said that the federal government doesn't do performance audits the same way the state does. This is a review. They're going to hire consultants at \$150 a day. He asked **Mr. Hunter** if that was his understanding. **Mr. Hunter** said he understood that the federal government would send a couple of people who are consultants; they're going to send some of their own employees; they're going to send people from other states; and they're recruiting about a dozen people from this state to participate, as they do reviews in three locations around the state.

**Chairman Bishop** said that maybe they could save some time as he thought both Mr. Hunter and Mr. Seacat agreed that lines 24 through 27 could be removed. They agreed. **Chairman Bishop** asked members of the committee if this was agreeable, and they also agreed. **Chairman Bishop** asked **Mr. Seacat** about amendment number 2, which strikes language on page 2, line 5 and whether it made any difference whether it was deleted or left in. **Mr. Seacat** said they would call it the way they see it when they do this audit. If the department has inadequate resources, they would call it that way. If they don't feel the department has inadequate resources, they would so state. **Chairman Bishop** said he would like to leave some of those things in. **Rep. Bixby** said she had talked to Sen. Hargrove and he was OK with it. She had told him she'd really like to go back to the original resolution, and he said that was great. **Chairman Bishop** said they should take out the amendment that was put on in line 5, page 2, and take out the amendment that had been put on in lines 14 and 15, page 2.

**Sen. Butcher** said he had missed the State Administration Committee meeting when the amendments were passed, and he asked **Rep. Bixby** who had dreamed up the amendments. **Rep. Bixby** said that she didn't know, but thought Mr. Hunter might have done them. **Mr. Hunter** said he had testified in support of the resolution but suggested some amendments. He didn't have written amendments, and one of the committee members had asked staff to prepare amendments. **Sen. Butcher** asked if **Mr. Hunter** would have any heartburn if they eliminated the amendments and what result he would see from that. **Mr. Hunter** said he had been with the division for a couple of years, and it seemed to him that most of the problems that he hears attributed to the performance of the division are many times related to the fact that they have nowhere near enough staff to perform the functions that they're

asked. He asked the committee to consider that concretely as they do this study. If the Legislative Auditor does this, he'd like that to be considered as part of the backdrop.

**Chairman Bishop** said perhaps the committee could save some time, because he thinks Mr. Hunter, Mr. Seacat and Rep. Bixby are OK with leaving those in. **Rep. Bixby** said she is not and she thinks they need to be part of the audit. The audit would identify exactly what those issues are. She doesn't think it is up to the department. Further discussion was held on whether or not to delete the amendments. **Rep. Bixby** said she thinks it is up to the department to see if that is really the problem, and it will be identified through the audit. She thinks it will be better for the department if it is identified through the audit. **Chairman Bishop** asked **Mr. Hunter** if he had a problem with pulling those amendments out. **Mr. Hunter** said he had been subjected to many performance audits, and he had yet to see one that concretely looked at whether there are adequate resources.

**Rep. Thomas** asked **Mr. Hunter** if he was saying that might help the audit if that was in there. **Mr. Hunter** said he believed it would, and that it would at least direct the Legislative Auditor to look at that concretely. **Rep. Thomas** asked **Rep. Bixby** how she felt about that. She said that Mr. Seacat is here, and he would do the audit. She didn't think it should be part of the resolution. That is truly an issue. This is a performance audit, so they probably would look at that, so it would be part, not coming from the department but coming from the audit. She didn't think we're out to look to create any problems for the department, but through the audit we can get a true picture. If it is resources, it will be identified through the audit, not through the department. That's what they're saying.

**Mr. Seacat** said he will be happy to take a look at the resources of the program. He thinks that that is incumbent upon him to include in the scope of the audit. The fact of the matter is, if we're going to have an independent audit, then the auditor should set the scope of the audit, not Mr. Hunter. He didn't intend that to sound arrogant, but having said that, he always asks the agency managers if there is something they'd like him to include in the audit, he would be happy to include it. Mr. Hunter is right, he doesn't make a whole lot of recommendations from his office for new FTEs for programs in government, because, frankly, they find alternatives. They find other allocable resources in a lot of cases. If the Audit Committee prioritizes this audit, they will include a review of those resources. And, likewise, on the very last of them, he would be happy to do that coordination. He already knows when the federal government will be here and he

will coordinate with Mr. Hunter's office in that regard. He cannot, though, participate in the review with the federal government, because this is not a performance audit and it is not an allowable, billable cost that his office can incur. So he is not going to participate with the federal government program people coming in here filling out questionnaires. He does audit work. Having said all that, his recommendation would be to strike all the amendments. He doesn't think any of them are needed. **Rep. Bixby** said she agrees. The rest of the committee also agreed.

***{Tape : 1; Side : A; Approx. Time Counter : 9.2 - 9.8}***

**Motion/Vote: Sen. Butcher moved to strike the amendments and adopt the conference committee report. Motion carried 6-0.**

**ADJOURNMENT**

Adjournment: 1:40 P.M.

---

SENATOR AL BISHOP, Chairman

---

Jan Brown, Secretary

AB/JB

**EXHIBIT** (cch82hj0032aad)